



FLORIDA SURPLUS ASSET FUND TRUST
10151 University Blvd., #227, Orlando, Florida 32817

LOCATION: Akerman, LLP
DATE: January 24, 2019
TIME: 12:00 p.m.
RE: FL SAFE Board Meeting

MEMBERS IN ATTENDANCE

BOARD OF TRUSTEES: Mark Mason, CPA, Chairman
Linda Senne, CPA, Vice Chairman
Jerry Boop, CPA, Secretary
Bill Kleinsorge, CPA, Treasurer

ADVISORY COUNCIL: Faye Henry, City Treasurer, City of Port St. Lucie
Mark Ryan, City Manager, Indian Harbour Beach
Jerry Gray, City of Maitland

OTHER ATTENDEES: Jim Davis, CEO, PMA
Rene' O'Day, VP, Florida, PMA
Fenil Patel, SVP, PMA
Brian Hextell, SVP, FL SAFE Portfolio Manager, PMA
Dana Kurtilla, Estancia
Paula Cooper, SVP Operations, PMA (Via Phone)
Jeff Larson, President, FMAS, FL SAFE Administrator
Nicole Larson Sydney, Associate, FMAS, FL SAFE Administrator
Terry Larson, SVP, FMAS, FL SAFE Administrator
Tom Mackin, Mackin Enterprises
Bill Spivey, Executive Director, FDFC
Larry Aubrecht, SVP, FMAS, FL SAFE Administrator
Mike Williams, Esq., Akerman LLP, FL SAFE Counsel
Hank Gay, BMO Harris, FL SAFE Custodian
Mike Dunlop, Treasury Manager, Sarasota County
Nate Larson, FMAS, FL SAFE Administrator

A. BUSINESS ITEMS

1. Call to Order/ Roll Call

Mark Mason calls to order the meeting of board of directors for the Florida Surplus Asset Fund Trust for January 24th. Nicole Larson Sydney calls roll. Quorum requirements are met.

2. Participants Election of Board Member Confirmation, Jerry Boop

Mark calls for a motion for nomination of Jerry Boop. Jerry is confirmed by Board following Participant's election.

3. Board Selection – Open Board Seat, Bill Spivey

Mark asks for a motion to approve Bill Spivey as a new board member for an open seat due to Harry Kyne's retirement. Linda makes a motion and Jerry seconds. Vote 4-0. Motion approved. Jeff states that Bill's seat will be for the remainder of 2019.

4. Nomination of Board Officers

Linda Senne nominates Mark Mason for Chairman. Jerry seconds. Motion carries 5-0. Jerry Boop nominates Linda Senne for Vice Chair. Bill Kleinsorge seconds. Motion carries 5-0. Linda Senne nominates Jerry Boop for Secretary. Bill Kleinsorge seconds. Motion carries 5-0. Jerry Boop nominates Bill Kleinsorge for Treasurer. Linda seconds. Motions carries 5-0. Jeff states that in the past the fifth board member served as the liaison to the advisory council. Jeff mentions that there is no vote required for this. Mark discusses with Bill and Board. Bill Spivey accepts role as Advisory Council Liaison.

5. Public Comments

No public comments.

6. Approval Prior Board Meeting Minutes: November 1, 2018

Mark makes a motion. Jerry seconds. Motion carries 5-0.

7. Participant and Guest Introductions

Mark asks everyone in person and via phone to make introductions.

8. Advisory Council Recommendations

Jeff states that there are no current individuals to nominate. He mentions that he has a few people in mind that he would like to nominate in the future.

9. Strategic Planning: Board Direction, Next Steps

Mark asks for comments from Tom Mackin regarding earlier Workshop comments and Board Consensus. Tom states that there are a few key outcomes of the strategic planning.

Strategic Planning Outcomes:

1. Detailed Marketing Plan
2. Marketing differentiation; based on size of government and their needs
3. Clearly defined roles and responsibilities
4. Competitive rates

Board asks that these objectives and goals be adopted and put into action for calendar year 2019. Board states that they would like to see a Marketing Plan by the next board meeting.

Bill Kleinsorge makes a motion for the above defined goals/objectives to be established. Linda seconds. Motion carries 5-0.

B. STAFF REPORTS

1. Investment Advisor/Operations Manager Update – PMA

(a) Economic and Market Update

Brian Hextell presents PMA's annual market outlook handout. He states that it was a very turbulent quarter in the markets with the government shutdown. Consumer is healthy, unemployment is low. Brian states that companies are borrowing more for mergers and acquisitions. He states analysts and traders do not see a recession coming this year and that is not PMA's view.

(b) FL SAFE LGIP Portfolio Update

Brian reviews the allocation of assets for the SNAV Fund. He states that they are monitoring other funds to try to stay competitive. WAM moved up from 23 days to 35 days. WAM to final was steady for the quarter. Brian reviews the 7 Term Series that were launched. Three of those were the 30-day terms, two were 6 months, and two were 9-month terms. Brian reviews the increasing yields of the VNAV Fund. He reviews the performance of the Fund. Over the last 6 months the VNAV Fund has grown and the market is more favorable with returns.

(c) Operations Manager Report

Paula Cooper reviews the Operations Manager's Report. She states that the Fund has grown significantly since last quarter, by \$60 Million in the SNAV, and up \$133 Million total from all Funds.

(d) Board Ratification of Term Series

Fenil discusses the 7 Term Series that were done over the last quarter. Linda makes a motion to approve, Mark seconds. Motion carries 5-0. Term Series are ratified.

(e) Marketing Update

Rene O'Day presents her last quarter's marketing efforts. She mentions her efforts to increase her face to face meetings as well as attend more conferences. She has been working to create more marketing material to promote the Fund and stay competitive.

(f) PMA Comments

Jim Davis introduces Dana from Estancia. He reviewed Estancia's company overview. Dana review's Estancia's company history and outlook.

2. Administrator Update – FMAS

(a) Marketing Update, Presentations, Annual FGFOA & FCCMA Conferences, FGFOA School

Jeff Larson mentions that he will work with PMA to create a Marketing Plan that will be presented at the next meeting. He worked to help the Florida Tax Collector's with an Investment Policy. Nicole Sydney discusses the upcoming FGFOA and FCCMA conferences and dinners. Jeff states that PMA will be helping with the FGFOA 8-hour pre conference investment seminar.

(b) FMAS Comments

No other comments.

C. OTHER ITEMS

1. FL SAFE Counsel's Comments

No comments from FL SAFE Counsel.

2. Participant Comments

Mike Dunlop mentions that he appreciates the safety of FL SAFE and that the underlying collateral is not as risky as similar funds that try to achieve higher rates.

3. Advisory Council Member Comments

Faye Henry states that she values diversification of funds for her government and intently studies all fund's underlying assets.

4. Board Member Comments

Bill Spivey states that he looks forward to being on the Board and working with the Advisory Council. Bill Kleinsorge appreciates the Board Workshop outcomes and looks forward to future changes. Jerry Boop has no comments. Linda Senne looks forward to the changes and outcomes from the strategic planning. Mark Mason states that he appreciates the time that everyone took and invested in the strategic planning effort. He looks forward to the future for the Fund.

D. Set Next Meeting Date/Adjournment

Setting the future date for the next FL SAFE Board Meetings. Next meeting will be April 25th, 2019; July 25, 2019; October 31, 2019.

Signature Page

APPROVED THIS 25th DAY OF APRIL 2019.

FLORIDA SURPLUS ASSET FUND TRUST



Mark Mason, CPA
FL SAFE Board Chair

ATTEST:



Jeffrey T. Larson
FL SAFE Administrator